

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| Order Instituting Rulemaking on the Commission's own motion to consider alternative-fueled vehicle tariffs, infrastructure and policies to support California's greenhouse gas emissions reduction goals. | Rulemaking 09-08-009 (Filed August 20, 2009) |
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**DECISION GRANTING COMPENSATION TO THE NATURAL
RESOURCES DEFENSE COUNCIL FOR SUBSTANTIAL
CONTRIBUTION TO DECISION 13-06-014**

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| Claimant: The Natural Resources Defense Council (NRDC) | For contribution to D. 13-06-014 |
| Claimed: \$11,513.75 ¹ | Awarded: \$11,513.75 |
| Assigned Commissioner: Carla J. Peterman | Assigned ALJ: Regina M. DeAngelis |

PART I: PROCEDURAL ISSUES

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| A. Brief Description of Decision: | The decision extended the Commission's "Common Treatment for Excess Plug-in Electric Vehicle Charging Costs," pending further load research and additional information on the impacts of different charging power requirements. The decision also directed the utilities to continue load research and for Energy Division to consult with stakeholders as to how to broaden the scope of that research. |
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B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

| | Claimant | CPUC Verified |
|---|-------------------|----------------------|
| Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)): | | |
| 1. Date of Prehearing Conference: | November 18, 2009 | Verified |

¹ NRDC lists the total claimed as \$11,514.00; the actual amount claimed is \$11,513.75. We encourage intervenors to not round to the nearest whole number when filing their total amount claimed.

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| 2. Other Specified Date for NOI: | n/a | N/A |
| 3. Date NOI Filed: | December 18, 2010 | December 18, 2009 |
| 4. Was the NOI timely filed? | | Yes |
| Showing of customer or customer-related status (§ 1802(b)): | | |
| 5. Based on ALJ ruling issued in proceeding number: | R. 09-08-009 | Verified |
| 6. Date of ALJ ruling: | January 28, 2010 | Verified |
| 7. Based on another CPUC determination (specify): | n/a | N/A |
| 8. Has the Claimant demonstrated customer or customer-related status? | | Yes |
| Showing of “significant financial hardship” (§ 1802(g)): | | |
| 9. Based on ALJ ruling issued in proceeding number: | A10-07-007 and A.11-09-016 | Verified |
| 10. Date of ALJ ruling: | February 21, 2013 | Verified |
| 11. Based on another CPUC determination (specify): | n/a | N/A |
| 12. Has the Claimant demonstrated significant financial hardship? | | Yes |
| Timely request for compensation (§ 1804©): | | |
| 13. Identify Final Decision: | D.13-06-014 | Verified; note that D. 13-11-002 Modifies Requirements for Development of Plug-In Electric Vehicle Submetering and closes the proceeding. |
| 14. Date of Issuance of Final Order or Decision: | 7/3/2013 | Verified |
| 15. File date of compensation request: | 9/3/2013 | Verified |
| 16. Was the request for compensation timely? | | Yes |

PART II: SUBSTANTIAL CONTRIBUTION

A. In the fields below, describe in a concise manner Claimant's contribution to the final decision (*see* § 1802(i), § 1803(a) & D.98-04-059).

| Intervenor's Claimed Contribution(s) | Specific References to Intervenor's Claimed Contribution(s) | CPUC Discussion |
|--|--|-----------------|
| <p>1. Cost Allocation (Issue A)</p> <ul style="list-style-type: none"> NRDC opposed discriminatory treatment of electric vehicle ("EV") load, and provided the logical framework by which the Commission chose to reject proposals by other parties that would have imposed special fees on EV customers. | <p>Opposed discriminatory treatment of EV load:</p> <p><i>D. 13-06-014</i>, p.8-9: "SDG&E and NRDC oppose the aspect of DRA's and TURN's recommendation that would require PEV load to be treated separately from similar loads, such as an air conditioner or a hot tub. Both SDG&E and NRDC refer to the Commission's finding in D.11-07-029 that PEV charging load is "new and permanent" and should be treated similarly to other load."</p> <p><i>D. 13-06-014</i>, p.13: "Further complicating the cost assignment issue is the fact that clustering may result in the entire cost of an upgrade being assigned to one PEV driver, despite the fact that several drivers contributed to the load growth that triggered the upgrade. Absent a solution that can reasonably assign upgrade costs among the contributors; we think it is premature to discontinue the common treatment of PEV charging costs in excess of the allowances permitted in Rules 15 and 16."</p> <p><i>Reply Comments</i>, p. 3: "The Commission should recall that any attempt to attribute costs to a specific load is logically flawed, as doing so ignores the cumulative impact of all previously added loads. If the addition of a hot-tub in July brings a transformer</p> | <p>Verified</p> |

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| <ul style="list-style-type: none"> NRDC's comments also highlighted the fact that data on EV charging included in the utilities "Load Research Report" does not reflect current market trends, a fact the Commission noted in its adopted decision and used to justify the continuation of the Load Research reports and to only continue the exemption for "basic" charging. | <p>to the limits of its operational specifications, it is arbitrary to state a PEV added in August "caused" the need for a transformer upgrade. It would be similarly illogical to say the installation of a hot-tub caused a transformer to be upgraded if previously added PEV charging demands brought the transformer to the limits of its specifications. Load is load; sequencing is irrelevant. PEV load should be treated similarly to other comparably demanding loads."</p> <p>Noted that current data on EV charging may not reflect market:</p> <p><i>D. 13-06-014</i>, p. 14: "We also understand that, since the beginning of the utilities' data collection reflected in the Joint PEV Load Research Reports, many more new full-battery and hybrid plug-in electric vehicle models have been introduced and the majority of these new models have higher charging capabilities."</p> <p><i>D. 13-06-014</i>, p. 14: "NRDC also raised concerns regarding the impact of new vehicles' increasing AC (alternating current) charging levels on infrastructure costs"</p> <p><i>Opening Comments</i>, p. 5-6: "During the study window of the "Joint IOU Electric Vehicle Load Research Final Report" ("Load Research Report"), the vast majority of plug-in vehicles on the market were only capable of charging at 3.3kW, a maximum power level utility service planners appear confident can be integrated relatively easily. However, many vehicle models available today are capable of charging at 6.6 kW or significantly higher and automakers are increasingly pointing to faster charging as a selling point. The distribution</p> | |
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| <ul style="list-style-type: none"> NRDC recommended the Commission continue the current policy and revisit the issue in a workshop to gain further information before setting a cap at 7kW. | <p>system impacts of integrating widespread high-powered charging are likely to be much greater than those associated with integrating lower-power Level 2 (3.3kW) and Level 1 charging.”</p> <p>Asked continuation of current policy and for workshop before a 7 kW cap was established</p> <p><i>D. 13-06-014</i>, p. 14: “we believe that further study is needed to examine what is meant by “basic” charging and how to most appropriately allocate costs for distribution upgrades triggered by PEVs.”</p> <p><i>D. 13-06-014</i>, p. 15: “the Commission will revisit this issue in 18-months by convening a workshop to discuss the new information obtained from load research at that time and better understand how to rely on the data to inform the cost allowance policy.”</p> <p><i>D. 13-06-014</i>, OP 2, p. 23: “The Commission’s Energy Division is directed to review the Common Treatment for Excess plug-in electric vehicle Charging Costs after 18 months by convening a workshop to discuss any new relevant information contained in, for example, additional load research.”</p> <p><i>Reply Comments on PD</i>, p. 1: “NRDC also recommends the Commission not establish a cap at seven kilowatts at this time and explore the issue further in a workshop 18 months from the adoption of the final decision. As noted in NRDC’s previous comments, the Commission should account for the potential of high-powered charging to cause more extensive distribution upgrades than charging at lower power levels (3.3 kilowatts or lower), but it is not clear a cap at precisely seven kilowatts is the best manner to accomplish this goal.”</p> | |
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| <p>2. Load Research (Issue B)</p> <ul style="list-style-type: none"> NRDC supported the continuation of the Load Research Reports and recommended they be broadened to include information not currently included in the previous Load Research Report. The Commission determined to continue the Load Research Reports and directed Energy Division to broaden the scope in response to stakeholder input. | <p><i>D. 13-06-014</i>, COL 3, p. 22: “Utilities should continue load research during the three year period, reporting results to the Energy Division annually beginning no later than December 31, 2013”</p> <p><i>D. 13-06-014</i>, p. 16: “The Commission recognizes the value of the early PEV load research and seeks recommendations from parties for additional information in future load research reports to improve the usefulness in informing policymaking.”</p> <p><i>D. 13-06-014</i>, OP 3, p. 23: “The Commission’s Energy Division is directed to work collaboratively with stakeholders in this proceeding to revise the load research methodology and provide this revised methodology to Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company.” <i>Opening Comments</i>, p. 9-11 “NRDC supports the continuation of load research and recommends it include data on the effect of rate choice and vehicle type on charging patterns and bill impacts...the Load Research Report is rich a source of valuable information that should be updated to reflect the evolving and expanding PEV market. Future editions of the report would be even more helpful to the Commission were they to include additional information on the effect of rate choice and vehicle type on charging patterns and bill impacts.</p> <p><i>Comments on PD</i>, p.3-6: “NRDC supports the continuation of load research and recommends the inclusion of information on the impact of rate and vehicle choice on charging pattern and bill impacts.”</p> | <p>Verified</p> |
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B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

| | Claimant | CPUC Verified |
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| a. Was the Office of Ratepayer Advocates (ORA)² a party to the proceeding? | Yes | Verified |
| b. Were there other parties to the proceeding with positions similar to yours? | Yes | Verified |
| c. If so, provide name of other parties: As noted in the Commission's adopted decision, SDG&E held a similar position to NRDC with respect to opposing the imposition of discriminatory cost allocation policies. | | Verified |
| d. Describe how you coordinated with ORA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party: Since the issuance of the Commission's Phase II decision in July of 2011, NRDC has remained in continuous contact with DRA and other parties on the subjects covered in both Phase III and Phase IV of the proceeding. NRDC has also collaborated with Energy Division staff to organize a series of webinars on regulatory issues related to the proceeding to educate stakeholders (both in California and beyond). | | Verified |

PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§§ 1801 & 1806):**

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| a. Intervenor's claim of cost reasonableness: Throughout R.09-08-009, NRDC has advocated for policies that reduce barriers for customers to switch to electric vehicles, maximize environmental benefits of electrification, minimize electricity grid impacts and maximize benefits, and ensure cost-effective service for utility customers. NRDC's efforts related to the issues covered in D.13-06-014, which are only a small sub-set of the issues covered in Phase III and Phase IV of the proceeding, resulted in tangible changes in Commission policy that will benefit utility customers. Imposing special fees on EV drivers would impose a substantial barrier to EV adoption and undermine the state's efforts to reach long-term climate and environmental goals. NRDC's advocacy has also pushed the Commission to encourage the most cost-effective integration of widespread EV charging, during off-peak hours and at power levels that minimize adverse impacts to the distribution system. Likewise, NRDC's recommendations to broaden the scope of the | CPUC Verified NRDC's costs are reasonable and reflective of its participation in this proceeding. |
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² The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

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| <p>Load Research Reports to include information as to the bill impacts by rate choice associated with EVs will help guide the Commission's policy develop and ensure customers have an incentive to choose rates that encourage charging behavior that maximizes savings relative to petroleum fuels and minimizes adverse system impacts.</p> <p>NRDC's contribution to the record and final decision in this proceeding vastly exceeds the cost of NRDC's participation.</p> | |
| <p>b. Reasonableness of Hours Claimed.</p> <p>NRDC has only submitted hours for a single relatively junior attorney, despite the fact several other attorneys and experts reviewed documents submitted to the Commission, thus eliminating any internal duplication. Since the issuance of the Phase II decision, NRDC has devoted considerable resources to active participation in the Commission's proceeding, which has involved numerous workshops, party comments, and advice letters; here NRDC only submits a claim for hours directly related to issues covered in D.13-06-014, but reserves the right to submit hours for other actions if appropriate in the future.</p> <p>Those efforts not included in this claim have also resulted in significant benefits to utility customers. For example, NRDC was directly involved in negotiations with both PG&E and SCE with respect to revisions of EV rates. Relative to PG&E's original proposal, the adopted rate includes no fixed customer charge, increased off-peak hours, and lower-off-peak prices. This will increase savings relative to petroleum fuels and encourage charging during off-peak hours to minimize adverse impacts to the distribution system. NRDC also engaged in negotiations with SCE over revisions to its EV rate. As a result of a modeling error, a rate had been proposed that would have significantly increased prices for EV customers. NRDC and SCE worked collaboratively to resolve the issue and to actually improve the design of the rate. The resulting proposal was adopted by the settling parties in SCE's general rate case. Again, no hours were submitted for this work, despite the fact R.09-08-009 includes within its scope the revision of utility EV rates.</p> | Verified |
| <p>c. Allocation of Hours by Issue</p> <p>As noted above, while this proceeding has covered many issues since the issuance of the Commission's Phase II decision in July, 2011, NRDC only submits hours for the two issues directly covered in D.13-06-014. Of those issues, NRDC spent 49% of its hours on Cost Allocation and 51% on Load Research.</p> | |

B. Specific Claim:*

| CLAIMED | | | | | | CPUC AWARD | | |
|--|------|--------------------------|---------|----------------------------|------------|---|--------------------|------------|
| ATTORNEY, EXPERT, AND ADVOCATE FEES | | | | | | | | |
| Item | Year | Hours | Rate \$ | Basis for Rate* | Total \$ | Hours | Rate \$ | Total \$ |
| Max Baumhefner | 2011 | 4 | \$185 | D.12-11-048 | \$740.00 | 4 | \$185 ³ | \$740.00 |
| Max Baumhefner | 2012 | 6.25 ⁴ | \$195 | Res ALJ-287 D.08-04-010 | \$1,218.75 | 6.25 | \$195 | \$1,218.75 |
| Max Baumhefner | 2013 | 42 | \$210 | Res ALJ-287 D.08-04-010 | \$8,820.00 | 42 | \$210 | \$8,820.00 |
| Subtotal: \$10,778.75 | | | | | | Subtotal: \$10,778.75 | | |
| INTERVENOR COMPENSATION CLAIM PREPARATION ** | | | | | | | | |
| Item | Year | Hours | Rate \$ | Basis for Rate* | Total \$ | Hours | Rate | Total \$ |
| Max Baumhefner | 2013 | 7 | \$105 | | \$735.00 | 7 | \$105 | \$735.00 |
| Subtotal: \$735.00 | | | | | | Subtotal: \$735.00 | | |
| TOTAL REQUEST: \$11,513.75 | | | | | | TOTAL AWARD: \$11,513.75 | | |
| <p>* We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Reasonable claim preparation time typically compensated at ½ of preparer’s normal hourly rate.</p> | | | | | | | | |
| Attorney | | Date Admitted to CA BAR5 | | Member Number | | Actions Affecting Eligibility (Yes/No?) If “Yes”, attach explanation | | |
| Max Baumhefner | | July, 2010 | | 270816 | | No | | |

³ Adopted in Decision (D.) 12-11-048.

⁴ NRDC's timesheets reflect 6.25 hours worked by Baumhefner in 2012, not 5.75. As such, this correction has been made and applied throughout the claim.

⁵ This information may be obtained at: <http://www.calbar.ca.gov/>.

C. Attachments Documenting Specific Claim and Comments on Part III

| Attachment or Comment # | Description/Comment |
|-------------------------|--|
| Comment #1 | <p>Rate rationale for Max Baumhefner: Mr. Baumhefner, the sole attorney involved in NRDC's R.09-08-009 efforts, received a B.A. from Pomona College in 2001. Mr. Baumhefner gained experience directly applicable to advocacy before the CPUC during his tenure in Commissioner Timothy Simon's office in 2008. In 2009, he received a J.D. from Boalt Hall at U.C. Berkeley and was admitted to the BAR in July of 2010.</p> <p><u>2011 rationale:</u> NRDC requests a rate of \$185, which was approved by D.12-11-048 in November of 2012.</p> <p><u>2012 rationale:</u> NRDC requests a rate of \$195 for 2012, which includes the 2nd and final step increase of 5% for the rate range of 0-2 years for attorneys (D.08-04-010, p.8). We do not request a move to the next range (3-4 years) as the majority of Mr. Baumhefner's hours occurred before July 2012.</p> <p><u>2013 rationale:</u> NRDC requests a rate of \$210 for 2013 since Mr. Baumhefner became a 3rd year lawyer as of July 2012. Per D.08-04-010, intervenors can qualify for a rate increase when "moving to a higher experience level: where additional experience since the last authorized rate moved a representative to a higher level of experience." (D.08-04-010, p.8) We request the lowest rate in this range (\$210-\$245).</p> |

D. CPUC Disallowances and Adjustments:

| Item | Reason |
|---|---|
| 1. Adoption of Max Baumhefner's hourly rate(s). | NRDC requests the rate of \$195 for work Baumhefner completed in 2012 and \$210 for work he completed in 2013. Having been licensed in July 2010, Baumhefner had 2 and 3 years of work experience as a licensed attorney in 2012 and 2013. Resolution ALJ-281 sets attorney hourly rates at \$155-\$210 per hour for attorneys with 0-2 years of experience. As such, the rate of \$195 for 2012 is reasonable within the parameters set by Resolution ALJ-281. For 2013, we look to Resolution ALJ-287, which sets hourly rate for attorneys with 3-4 years of experience at \$210-\$245 per hour. \$210 is a reasonable hourly rate for Baumhefner's years of experience and is adopted here. As such, the Commission adopts Baumhefner the rates of \$195 for 2012 and \$210 for 2013. |

PART IV: OPPOSITIONS AND COMMENTS

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| A. Opposition: Did any party oppose the Claim? | No |
| B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(2)(6))? | Yes |

FINDINGS OF FACT

1. Natural Resources Defense Council has made a substantial contribution to Decision (D.) 13-06-014.
2. The requested hourly rates for Natural Resources Defense Council's representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$11,513.75.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Public Utilities Code §§ 1801-1812.

ORDER

1. Natural Resources Defense Council is awarded \$11,513.75.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall pay Natural Resources Defense Council their respective shares of the award, based on their California-jurisdictional electric and gas revenues for the 2013 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning November 17, 2013, the 75th day after the filing of Natural Resources Defense Council's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX**Compensation Decision Summary Information**

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| Compensation Decision: | | Modifies Decision? | N/A |
| Contribution Decision(s): | D1306014 | | |
| Proceeding(s): | R0908009 | | |
| Author: | ALJ DeAngelis | | |
| Payer(s): | Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company | | |

Intervenor Information

| Intervenor | Claim Date | Amount Requested | Amount Awarded | Multiplier? | Reason Change/Disallowance |
|--|-------------------|-------------------------|-----------------------|--------------------|-----------------------------------|
| Natural Resources Defense Council (NRDC) | 9/3/13 | \$11,513.75 | \$11,513.75 | N/A | N/A |

Advocate Information

| First Name | Last Name | Type | Intervenor | Hourly Fee Requested | Year Hourly Fee Requested | Hourly Fee Adopted |
|-------------------|------------------|-------------|-------------------|-----------------------------|----------------------------------|---------------------------|
| Max | Baumhefner | Attorney | NRDC | \$185 | 2011 | \$185 |
| Max | Baumhefner | Attorney | NRDC | \$195 | 2012 | \$195 |
| Max | Baumhefner | Attorney | NRDC | \$210 | 2013 | \$210 |